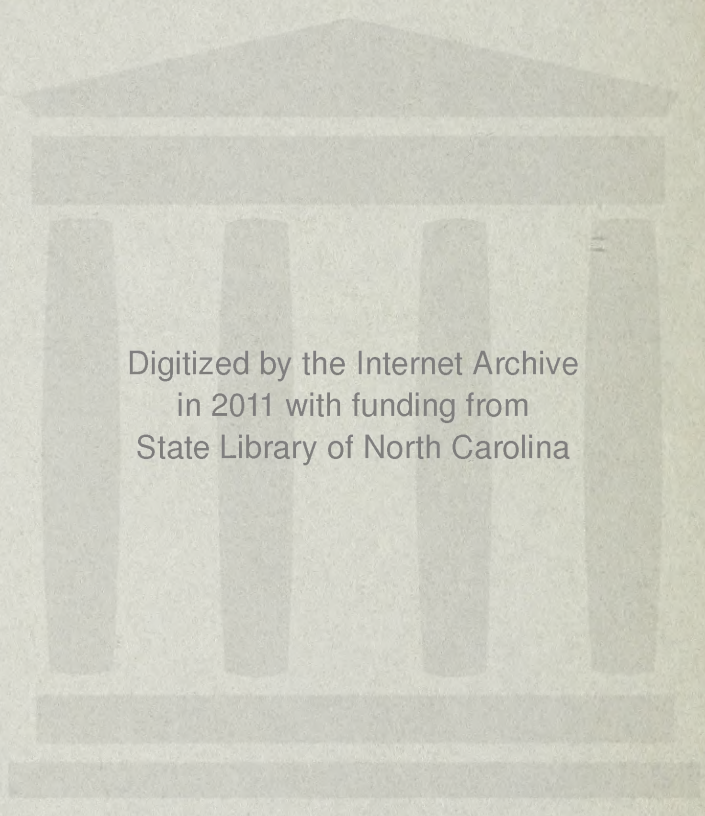


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Report ... on the growing of
wool in North Carolina. 1828.



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[No. 17.]

REPORT

ON THE SUBJECT OF

COTTON AND WOOLLEN MANUFACTORIES,

AND ON THE

GROWING OF WOOL

IN

NORTH CAROLINA.

1828.

RALEIGH:

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Dr. Dr.
(Dec)

REPORT.

The select committee, to whom was referred the resolution on the subject of cotton and woollen manufactories, and on the growing of wool in North Carolina, have had the same under consideration, and REPORT:

That the subject of the resolution is one which deeply concerns the citizens of this State, and is vitally connected with their best interest and prosperity. A crisis is at hand, when our citizens must turn a portion of their labor and enterprize into other channels of industry; otherwise poverty and ruin will fall on every class of the community. It is a lamentable fact that the people of North Carolina are indebted to one another, and to the Banks, to an amount appalling to the mind that looks to consequences. According to recent statements, the debts due to the local institutions alone amount to \$5,221,877; and in the absence of data, we believe it will not be an over estimate to say that the debt due the U. States' Office at Fayetteville will swell the amount to 6 millions of dollars. In addition to this we esteem it a moderate calculation, that the people of North Carolina owe to merchants, to usurers, to note shavers, and to one another in general, the further sum of 4 millions, making in all 10 millions of dollars. Many of these debts were contracted at a time, when a more prosperous state of things held out better prospects of easy and speedy payments; but the great fall in the prices of agricultural products has not only reduced the value of every species of property, but, as a consequence, has, in effect, doubled the debts of individuals.

Owing to the want of navigable streams in our State, leading to good marts, hitherto but few of our agricultural products would admit the expense of carrying to market. Cotton and tobacco, from the interior, are almost the only articles that will bear transportation; while rice and naval stores on the sea board are the principal exports. When the prices of these articles were up, the farming interest of North Carolina presented something like the appearance of prosperity; but a great depression has taken place in their value, and, at this time, they are scarcely worth producing. The loss of the West India Trade has lessened the demand for lumber. Tobacco is now taxed in the British markets more than 600 per cent. while the demand for cotton, our other great staple, does not keep pace with its increased production. Every year new sources of supply are opened in our own and in other countries. Egypt, Greece, the British East India possessions and South America are all well adapted to the culture of the article. If the planter in North Carolina can barely afford to raise cotton

at 8 cents per pound, he must soon be driven from its culture altogether by the farmers of the West, whose new rich lands enable them to produce it with less labor and expense. Thus, while the exports of these, our great staples, have rapidly fallen off, our importations of various articles continue nearly the same, or, at most, do not diminish in a corresponding ratio with our exports. The consequence is, that the balance of trade against us, for several years past, has greatly increased. To meet the debt created by this balance of trade, the notes of our banks are carried to the northern cities, where they cease to perform the part of money, but like other merchantable commodities, are sold at a discount of 4 to 5 per cent. on their nominal value. The bills thus sent to the north, are soon returned on the banks, when another loss of 4 or 5 per cent. is sustained by these institutions, in procuring such funds as will be taken by the northern holder. The annual tax thus paid to the northern cities, is by no means inconsiderable, and in its effects on the banks, and through them on the people, greatly add to the difficulties of the times.

The balance of trade against us, produces another state of things in the monied concerns of North Carolina, which threatens not only the ruin of our local institutions, but as an inevitable consequence, bankruptcy and distress throughout the community. The United States' Bank at Fayetteville receives in payments the notes of the local banks, but pays out none but her own. The consequence is, that nine tenths of her issues are sent to the north to meet the debt created by the balance of trade; while the debts due her, are always paid in local notes. The notes thus flowing in on that office, are returned in quick succession on their respective branches, and these institutions sustain a loss in procuring funds to meet these perpetual runs. The extent of these runs from that quarter, are not limited by her discounts; and, in the course of the year, they amount at least to a half million of dollars. Thus the local banks of North Carolina annually pay at 4 or 5 per cent. on all their notes collected by this mammoth institution. Already one of the local banks, that of Cape Fear, finds it impossible to get on under the pressure of the United States' Bank at Fayetteville; and the President and Directors have called a meeting of Stockholders, with a view of winding up their business and surrendering their charter. The local banks are thus forced to curtail their discounts, and withdraw from circulation a part of their notes, which have the effect to press their debtors at a time when bad crops and low prices diminish their ability to pay.

This creates a distress that impels thousands of our citizens to abandon their homes and their hopes in their native State, and seek relief abroad, where better prospects are opened to them. If,

in transplanting themselves from their native soil, they better their condition, it is certain that their friends who remain behind are left in a worse situation. Every man who moves to the West, is not only a loss to the State, but carries off with him a part of our circulating medium, which makes it scarcer here. Your committee might point out other effects arising out of the course of trade, uniting to produce a state of embarrassment never before equalled in North Carolina; but time presses on their labors and admonishes them to omit all unnecessary views of the subject.

The situation of our people, being as thus represented, the inquiry presents itself, how is it to be ameliorated and changed for the better? It is certainly true, that something may be effected by individual economy, but this alone will not accomplish the important end. Nothing but a change of system can restore health and prosperity to the community at large. It is certainly a correct maxim in political economy, that every State or nation should be able to feed and to clothe itself. Such, however, has not been our case. With immense tracts of fertile soil, the best and most productive in the Atlantic States, many of our citizens in the eastern parts of the State, for several years past, have been in the practice of purchasing flour made at the north, and of feeding their negroes with pork shipped from New York; while every fall, large droves of Tennessee and Kentucky hogs are sold in the southern and middle counties. Even at this moment, while we are penning these remarks, there are several droves from that quarter in this city; and a good portion of the money paid by the Members of the Legislature for their board and lodging, will be carried directly to the West in exchange for an article, that we can raise as well at home.

With all the materials and elements for manufacturing, we annually expend millions in the purchase of articles manufactured in Europe and at the north out of our own raw materials. While under this state of things, we have been growing poor, the manufacturers have been growing rich. The individual who buys more than he sells, whose expenditure is greater than his income, sooner or later must reach the brink of poverty and bankruptcy. The remark is equally true as to a State or community.

In setting about to ameliorate our condition, the first step is to adopt some system that will enable us to buy less and sell more; that will enable us to supply, within ourselves, our own wants and necessities. And here we remark, that, in its effects on us, it is all the same, whether we buy from Europe or the northern States. Our trade with Europe is through the northern cities, and the profits of that trade, whether outward or inward, are mostly made at the north. But how is this important revolution to be accomplished? We unhesitatingly answer, by introducing the manufacturing system into our own State, and fabricating at least to

the extent of our own wants. We go farther. Instead of sending off, at great expense of transportation, our raw material, convert it into fabrics at home, and in that state bring it into market. In this way our want of navigation will not be so severely felt; for it will cost no more to send off \$40,000 worth of the fabric, than it will \$10,000 of the raw material; and, of course, the expense will be less felt, as it will be divided among a larger amount.

North-Carolina, during good crop years, is estimated to have shipped for the north and Europe, through her own ports and those of her sister States, at least 80,000 bales of cotton. 80,000 bales, at 30 dollars per bale, amount to 2,400,000 dollars. But 80,000 bales, thus worth 2,400,000 dollars in the raw state, when converted into fabrics, are increased in value four fold, which will make the sum of 9,600,000 dollars, or 7,200,000 more than we obtained for it.

Again—It is not thought extravagant to estimate that the people of North-Carolina annually consume, in cotton manufactures of various descriptions, one fourth of the crop shipped from the State, equal to 20,000 bales. If so, then the manufacturers pay us for our 80,000 by sending back, of our own raw material, 20,000 bales in the manufactured state, retaining, for their trouble and the use of scientific power, the remaining 60,000 bales; which, when converted, according to the admitted rule, will bring them 7,200,000 dollars. Now, if the raw material was wrought up among ourselves, this immense sum would be made by our own citizens, and would diffuse wealth and prosperity among all classes. As it now is, we lose it, and the profits are enjoyed by Old and by New England.

But the profits arising from the process of converting the raw material, are not the only advantages attending the system. Another is, that it will take from Agriculture some of the surplus labor, and turn it into other pursuits. It will convert producers into consumers, and thus create at home, in the bosom of the community, good markets for the products of the farmer. To a community having good water communication, these neighborhood markets are not so essential; but to North-Carolina, which is without such means, their importance is incalculable. The introduction of the manufacturing system would give employment at home to our people; and arrest that tide of emigration which is bearing off our population, our wealth and enterprise, and leaving those who remain behind poor and dispirited; it would build up flourishing villages in the interior of our State, and improve, not only the physical, but the moral and intellectual condition of our citizens. This is not speculation. The same causes, under similar circumstances, will always produce the same effects. Look to the north; visit their manufacturing villages and establish-

ments, and you find a contented, happy and prospering people. By way of example, we point to the town of Lowell, in Massachusetts. Six years ago, its present site was unoccupied by the dwellings of man; since then, manufactories have been there erected; a town has sprung up, of neat and commodious buildings, with a population of 6,000 souls; there are several churches for public worship, and schools for the education of the children. Look to Waltham, to Taunton, to Patterson, Manyunk, and a hundred other places, in the New England and Northern States, where this system is diffusing wealth and prosperity, and improving the moral condition of society.

But it may be asked, are the circumstances of our State such as to render practicable the introduction of this system among us? We answer, they are. The hand of nature itself seems to point out North-Carolina as a region of country well adapted for manufactories. Cut off from the ocean by a sand-bound coast, her rivers filled with shoals and obstructions along their whole extent, and their mouths inaccessible to large vessels, she never can be greatly commercial. On the other hand, her climate and soil are equal to those of any of her sister States, and she abounds with all the facilities necessary to the manufacturing arts.

The following may be considered as the elements indispensable for building up, and sustaining manufacturing establishments:

1. The raw material, out of which the articles wanted are fabricated.
2. The power necessary to give motion to the labor-saving machinery employed in manufacturing.
3. Labor at prices that will afford profit.
4. Provisions cheap, of good quality and abundant.
5. Climate healthy and mild.
6. Skill and capital.

I. The Raw Material.

1st. *Cotton.* The soil and climate of North-Carolina, excepting the mountainous regions, are well adapted to the growth of this great staple; and for the past ten years, her exports in this crop may be estimated at 80,000 bales. The quality of the staple has been pronounced, by some of the most skilful manufacturers at the north, to be equal or superior to any raised in the United States of the same species; that is, of the common short staple. The fibres are not so long, but in texture they are finer and more silky than further south or west. It seems to be a principle in cotton to grow finer in staple as it goes north. Thus the Mexican cotton, in its progress to the north, loses something in length, but makes up in fineness. This raw material, then, abounds in North Carolina, where it may be had without the expense of transportation. The advantages of having the raw ma-

terial on the spot, are much more important than at first may appear. 1st, The expense of transportation is saved. This is equal on an average to 25 per cent. on present prices, or to 2½ cents per lb. or 7 dollars 50 cents per bale, on all shipments either to the north or Europe. Thus the 80,000 bales sent from North-Carolina, cost, for transportation, at least 600,000 dollars, which would be saved if manufactured on the spot. An establishment, at Lowell, Patterson, or Blackstone, consuming 500 bales, must pay annually for transportation 3,750 dollars, which would be clear gain to a similar establishment in North-Carolina. 2d: Another advantage in our favor is, that the cotton here would be delivered in the seed. Cotton taken from the gin is in the best state for spinning. Besides, we would save the bagging, roping and wastage; all of which Mr. Donalson, of Fayetteville, estimates equal to 10 per cent. in our favor.

2d. *Wool.* Another raw material wanted in manufactories of cloths, is wool.

The committee entertain the opinion that the climate and soil of North-Carolina are well adapted to the raising of sheep and the growing of wool. In the eastern parts of the State are extensive tracts of land, well suited to the purpose of grazing. The same is true of the middle and southern counties; while the mountainous parts of the State stand unrivalled for extensive ranges of the most luxuriant grass. The opinion is held by some, that a northern climate is better adapted to the growing of fine wool than the south. If so, we have such a climate in our mountains to produce wool of that quality, while the eastern and middle parts of the State will produce wool of the coarser sorts.

In the business of raising sheep, North-Carolina has two very important advantages over the northern States. 1st. The price of lands. 2d. The climate.

North of the Susquehanna, lands range at a much higher price than in this State. One thousand dollars in North Carolina will purchase a more extensive sheep walk than ten thousand will in New England, New York or Pennsylvania.

In the northern States, sheep require to be fed nearly six months in the year; while here, six weeks is as long as necessary; there they must be fed with succulent vegetables and other expensive food; while here, a cheaper food will answer, or at most a less quantity of expensive vegetables and grain. In addition to this, the severity of the climate at the north requires more care and attention to be paid to the young than is necessary here. All these things considered, it is evident that we can raise sheep at least 35 or 40 per cent. lower than they can: Yet, hitherto, but few sheep have been raised in North Carolina. We scarcely grow as much wool as is wanted for domestic use. The fact is, that the

culture of cotton has mislead us from our true interest, and caused us to neglect every thing else.

From recent calculations, it is estimated that there are at this time in Pennsylvania, about 3 millions of sheep; and in New York about four millions; in several of the New England States, there are numbers still larger in proportion to their extent of territory.

It is not supposed that either of these States are overstocked with sheep; on the contrary, they are capable of increasing their numbers to a much greater extent. There are about 40 millions of sheep in G. Britain and Ireland.

But, take Pennsylvania as the data of calculation, and give North-Carolina as many sheep, according to territory, as she has, we would then number three millions, or one sheep to every ten square acres. Three millions of sheep, yielding 3 lbs. wool each, at 25 cents per pound, 2,250,000 dollars; while our whole cotton crop only yields 2,400,000 dollars.

Now, the cultivation of cotton requires the best of soil; it exhausts the land, and takes much labour; but "the raising of sheep gives value to land, not suited to ordinary cultivation, and makes worn out fields productive of profit to the farmer;" further, it requires but little labour, and that of the lightest kind.

But, instead of sending abroad the nine millions pounds of wool, were we to manufacture it at home into cloths, then its value would be enhanced at least to 10 millions of dollars. In addition to all this, the mutton would be a great source of profit. It would supply the place of pork in a considerable degree, and be a more healthy and less expensive food. The manure of the sheep too, would nearly, if not wholly, pay the expense of keeping them.

Iron. In addition to cotton and wool, we may add iron ore, as a raw material abounding in our State. Beds of ore, inexhaustable in quantity, and of superior quality, abounds in various parts. In the western section of the State, it may be found in almost every county. In Johnston county, and on Neuse River, are located extensive beds of good quality. Notwithstanding this, large quantities of iron are every year imported into North Carolina from abroad, and sold to her citizens. Besides these, the raw material of various other articles of necessity and comfort may be found in the greatest abundance in various parts of the State; but the committee are limited by time and circumstances from enlarging any further on this interesting branch of the subject.

2nd. Water Power.

Few States in the Union, abound more in sites of water power than North Carolina. The shoals and falls in her primary and secondary rivers, obstructing navigation; the small rivers and large creeks all furnish never-failing supplies of the finest water power in America. Much of this power is found in that range of country where the cotton grows well, and is extensively cultivated; and higher up, near and in the mountains, there is no limit

to the power. It being thus abundant, it must forever remain cheap; while at the north it is dear. A water privilege conveniently located at the north with power to carry 5,000 spindles, is worth 12 or 15,000 dollars; often more; here it may be had in favorable situations for one tenth that amount. Even in the eastern section of our State, this species of power may be commanded. When those extensive lakes, Mattamuskeet and others, are drained, the canals conducting off the water will furnish admirable sites for mills and manufacturing establishments. Under the head of climate, we will mention an important advantage our streams have over those of the north. Then on the score of *power* we have all that can be desired.

3rd. Labour.

It has hitherto been urged against the establishment of manufactories in North Carolina, and in the south in general, that the price of labour is too high to yield profits, or to enable us to compete with the northern States and England, where population is more dense. This is a great mistake. If this was so, when the price of cotton ranged from 15 to 20 cents per lb. it is certainly not so now, since the great fall in that and other staples.

WE have two species of labour, WHITE labor and BLACK labor. As to WHITE LABOR, we hazard nothing in saying, that it is cheaper in North Carolina than it is either in England or at the north. The price of labor in England is regulated by the price of provisions, and the onerous taxes imposed on the people. When these are considered, it is clear that a common operative could not live in that country, unless he received nearly double what is paid here. In England, veal is worth 16 to 18 cents; beef, 14 to 16; mutton, 12 to 14 cents per lb; while here, beef is plenty from 3 to 6 cents, and the others in proportion.

Mr. Thomas Massey, a very intelligent manufacturer, for 18 years engaged in the business, gives the following as the lowest prices ever known in his neighborhood: that is,

For boys and girls, under 12 years, per week,	\$1 00
For do. do. do. 15,	1 50
For do. do. do. 18,	2 00

In the flannel factories, at Amesbury, Mass. the wages for females is 50 cents per day, and of males, 100 cents. The wages of girls of 14 years old, at Lowell, average more than 100 cents per week, and their board.

According to a statement taken from the "Patterson Intelligencer," there are employed at the Patterson factories 381 men, 386 women, and 686 girls and boys; the average wages of the whole is \$152 per year, or nearly \$3 per week. Now let any one compare these prices with similar labor in the interior of North Carolina, and he will at once come to the conclusion that labor is cheaper here than at the north. Indeed, laborers of the south can always afford to take smaller wages; for they require less fuel and

less clothing than in New England. The species of labor that has been high in the south, is that of male adults; while that of females and children has ever been low.

Mr. Donaldson, who owns a cotton factory at Fayetteville, and another at the falls of Tar river, a gentleman who has visited the northern establishments, and those of England, and who is well acquainted with the subject, gives it to the committee, as his decided opinion, that factory labor is cheaper here than either in Old or New England.

BLACK LABOR. But, if this be the fact as to white labor, it is still more so, when black labor is employed.

We are aware that the opinion is entertained at the north, and even by some persons among ourselves, that our slaves cannot be advantageously employed in manufactories: 1st. Because, as is alleged, they are deficient in intellectual qualifications; and 2nd. That they have no moral principle. Now, that the northern manufacturers should hold out these ideas, is not to be wondered at, when we consider that it is their interest to do so; but that these notions should be entertained by any well informed persons acquainted with our black population, is strange indeed. What branch of mechanics have we in our country, in which we do not find negroes often distinguished for their skill and ingenuity? In every place we see them equalling the best white mechanics.

But if the evidence drawn from analogous pursuits is deemed insufficient, we offer proof in point. Mr. Donaldson, before mentioned, says that he has been for some time in the way of working blacks in his factories, and that he not only finds them equal to whites in aptness to learn, and skill to execute, but, all things considered, he actually prefers them. Mr. D. further states that he has had several Superintendents from the north, and all of these, with the exception of one, decidedly prefer black help, as they term it, to white. With the blacks, there is no turning out for wages, and no time lost in visiting musters, and other public exhibitions.

But one of the great advantages of black labor, is that you can attach it permanently to the establishment by purchase.

The following calculations will show the difference in cost between white and black labor. We suppose,

1. A factory is erected in New England, to be carried on for 10 years by white operatives.

2. Another is erected in North Carolina, to be carried on for the same length of time, by black operatives, each of 1,000 spindles, and both conducted by good managers.

1st. *The one with white labor.*

According to statements to be relied on, it requires 33 hands, large and small, to carry on 1,000 spindles. At the most moderate rates, these hands will cost (per week) 70 dollars: or, if paid at the end of the year, \$3,640. The fact, however, is that the

\$70 is always paid at the end of each week; which, when the interest is carried forward to the end of the year, makes nearly, or altogether, 109 dollars more; but we will throw this aside, and state the sum at 3,640 dollars. From the time of paying the first 3,640 dollars, to the end of the term of ten years, will be *nine* years; therefore, count the interest on that sum for nine years; on the payment of wages for the 2d year, count interest for 8 years; on the wages of the 3rd year, add interest for 7 years; and so on, to the end of the ten years; when it will be ascertained, that the sum paid out for *wages alone*, with simple interest thereon, will amount to more than 46,000 dollars.

2nd. The other establishment with black labor.

In place of hiring hands, we say let them be purchased; and we allow enough, when we estimate that hands of the right description may be had for 200 dollars each, on an average. Instead of 33, the number of whites employed, add one in every eleven, making 36. These supernumeraries are put in to make up for any loss of time, on account of sickness or casualties.

36 slaves, at \$200 each, is \$7,200.

The next inquiry is what will it cost per annum, to clothe and feed these 36 blacks? Some very intelligent gentlemen, large owners of slaves, give it as their opinion that slaves of this description can be decently clothed and plentifully fed for 25 dollars each, which would make 850 dollars per year; but not to fall under the mark, the committee estimate that the cost will be 1,000 dollars per year. To these sums should also be added, the wages of a Superintendent—say 500 dollars per year. These being the expenses of black labor, we wish now to compare it with the cost of the white labor of 33 hands.

The 33 whites we have seen will cost 3,640 dollars per year, or, in other words, their wages may be put down as worth 3,640 dollars.

Now, 36 blacks and 1 white Superintendent, can certainly do as much work as 33 whites. We therefore put their labor down at the same price of 3,640 dollars.

Having thus ascertained the cost of black labor and its value in wages, we proceed to make the annual calculations during the term of ten years.

At the end of the 1st year.

DR. To capital vested in purchase of slaves,	\$7,200
To interest thereon for 12 months, - - -	432
Clothing and feeding slaves 1st year, - - -	1,000
Wages to a white Superintendent, - - -	500
	<hr/>
	9,132

CR. By what the same quantum of labor will cost if performed by white hirelings, - - \$3,640

5,492

At end of 2d year.

DR. To balance unpaid as above, - - \$5,492
 Interest thereon, - - 329 52
 Clothing, and feeding blacks, and wages to Super't, 1,500

7,321 52

CR. By wages as above, - - 3,640

3,681 52

At end of 3rd year.

DR. To balance as above, - - \$3,681 52
 Interest for 12 months, - - 220 89
 3d item as above, - - 1,500

5,402 41

CR. As above, 3,640

1,762 41

At end of 4th year.

DR. To balance as above, - - \$1,762 41
 Interest thereon, - - 157 44
 3d item as above, - - 1,500

3,419 85

CR. By wages as above, - - 3,640

220 15

Over pays by

Thus at the end of the 4th year, the capital invested in slaves, with interest regularly carried forward, will be paid off, and more than paid by \$220 15. Besides this, the slaves have been well fed and clothed; and 500 dollars annually allowed as wages to a white Superintendent.

Now carry on this sum of \$220 15, with interest from the end of 4th year to the end of the term of 10 years, is \$299 40

Neat wages of 5th year, (after deducting 1,000 dollars for clothing and feeding, and 500 dollars for Superintendent,) will be 2,140 dollars, and interest to end of term, 2,740

Neat wages of 6th year, with interest, 2,653

do do of 7th year, 2,525

do do of 8th year, 2,396

do do of 9th year, 2,268 40

do do of 10th year, 2,140

15,021 80

Thus at the end of the term of 10 years, the establishment carried on by white operatives has cost for labor alone 46,000 dollars:

While the one carried on by blacks has paid the purchase money with interest, has fed and clothed the hands, has paid a Superintendent, and made a saving on the basis of white labor of \$15,021 80.

In addition to this, the blacks are still on hand, and worth more than when first purchased. But, to be on the safe side, deduct for deaths and casualties 25 per cent. from first cost, leaves 5,400 dollars.

Then so far as regards wages of the operatives, if you employ white labor, at the end of ten years you pay about 46,000 dollars.

If blacks are employed, you have the same labor, and at the end of ten years, actually save \$15,021 80.

The two sums added together, 61,021 dollars, shows the difference between black and white labor for 10 years, in an establishment of only 1,000 spindles. But there are many establishments of 5,000; of course, the difference would be in proportion, that is, 305,105 dollars.

To this add the item of transportation on the raw material for 10 years, on 500 bales, at \$7 50 per bale, that being the quantity of cotton annually consumed by such an establishment, equal to 5,000, at \$7 50, is \$37,500.

Total difference in favor of black establishment, is \$342,605.

4th. Provisions.

The soil and climate of North Carolina are well suited to the production of all the necessities of life depending on agriculture. In this respect it unites advantages over either the States further north or south. We occupy a sort of middle ground where the staples and products of the north and south meet in social proximity in the same rich fields. As we recede from the sea-board towards the western part of the State, we are constantly ascending, and it is known that climate depends as much on altitude as on latitude. Thus in the upper regions of the State, we have a climate and atmosphere well suited to the growth of all the small grains and all the vegetables necessary for the comforts of life. Indeed, there is no part of the State where they do not grow well. Furnish but markets for articles of this description, and they will soon be produced here in the greatest quantities and at the cheapest rates. The same may be said of butchers' meat, particularly of beef and mutton. In a word then, so far as the manufacturing establishments depend on supplies of provisions, abundant and cheap, North Carolina can furnish them.

5th. Climate, healthy and mild.

The rigor of the New England climate is a draw-back on the profits of manufacturing. 1st. It requires more fuel there to keep the establishments comfortable, and for the use of the operatives than here. 2nd. The operatives have to be more thickly and expensively clothed. And 3d. The streams often freeze up and stop operations altogether.

In North Carolina, we have a milder climate; our streams but seldom freeze. In point of healthfulness, the western section of the State is not inferior to any part of the Union; and when the swamps in the east are drained, the same may be anticipated of that section.

6th. Skill and Capital.

In these two requisites, North Carolina acknowledges her deficiency; but they are wants that can be supplied; they are elements that may be created. For skill, we must in the beginning, be indebted to the North and to Europe; but let the system once take root among us, and experience will create skill at home. When manufactories were first introduced into New England, the want of knowledge and skill in the business was as much felt there, as we now feel it here. Indeed, they labored under greater disadvantages than we do; for they had to import their superintendents and mechanics from Europe, while we have them nearer at home. They found it difficult, owing to the laws of G. Britain, to get out from that country suitable and qualified persons; while we will find no difficulty in procuring such persons from the North.

As to capital, owing to the pursuits of our people, it is hard to be commanded here. The wealth of our citizens consists in property that is not easily converted into money; in lands and negroes. We find among us but few persons who are able to command either the whole, or a part of the funds necessary to put manufactories into operation; and, therefore, for capital as for skill, we must be in some measure dependent on the Northern States; and it is certain, when the monied and enterprising men of the North fully understand how profitable the business may be pursued here, they will be the first to embark in it. But if, from prejudice, or from a want of a knowledge of the superior advantages enjoyed here, that should not be the case, then there is yet a way by which capital in sufficient amounts may be collected, to move forward the system. What one or two, or a few individuals cannot effect, may be accomplished by the union of many persons. Companies may be formed in every county of the State, composed of individuals, each contributing a small amount, which, in the aggregate, will make sums sufficient to carry through the object. It is a fact, well known, that the manufacturing system was first principally introduced and established in New England, by the means of incorporated companies. Thus, we see, during a single session of the Massachusetts Legislature, that eight manufacturing companies were incorporated, some with large capitals, and in none of the States at the North are applications of this nature ever refused. The "London Magazine," in a very able article on the resources of our country, remarks on this subject: "By what secret the Americans contrive to render concerns under the management of companies of this sort profitable, would be worth inquiring; for it is evident, from the gradual and continued growth of establishments of this kind, that they are not unprofitable. Seeing that they do prosper, companies of this description are of the highest importance in a country like America. Though wealth increases rapidly, it is also much subdivided, by the custom of the equal partition of property among the children, in a country where

marriage is universal, and families are large. There are few large capitals; and the enterprises which require large capitals, if performed at all, must be performed by the union of the small portions of wealth, which, in a saving and thriving country, must remain unemployed in the hands of the owners, unless employed by others for them.

Another reason in favor of incorporations of this kind, is that in this way large capitals may be concentrated, and large capitals will build up large establishments. Large establishments always make greater profit than small ones; among other reasons, because they can afford to procure greater skill and better management. Thus, some few years ago before the late protection, the Waltham Factory, which had an immense capital, divided 40 per cent. profits, while the smaller establishments complained of making nothing. To insure success in our State, therefore, the first establishment ought to be commenced on a scale of considerable extent, and then they could afford to procure the best managers that the northern States can furnish.

We wish not by this remark, to convey the idea that small establishments cannot be made profitable. On the contrary, these are the ones that will do most to improve the general condition of the community.

The committee have thus, at greater length than they could wish, presented their views on the policy of introducing the manufacturing system into N. Carolina. They firmly believe that it is the only course that will relieve our people from the evils that now so heavily press on them. We have nearly reached the lowest point of depression, and it is time for the reaction to begin. Our habits and prejudices are against manufacturing, but we must yield to the force of things, and profit by the indications of nature. The policy that resists the change is unwise and suicidal. Nothing else can restore us.

Let the manufacturing system but take root among us, and it will soon flourish like a vigorous plant in its native soil: it will become our greatest means of wealth and prosperity; it will change the course of trade, and in a great measure, make us independent of Europe and the north.

Nature has made us far more independent of them than they are of us. They can manufacture our raw material, but they cannot produce it. We can raise it and manufacture it too. Such are our superior advantages, that we may anticipate the time, when the manufactured articles of the south will be shipped to the north and sold in their markets cheaper than their own fabrics. and when the course of trade and difference of exchange will turn in our favor. The committee at this time are not aware that it is within the powers of this General Assembly, by any legislative act, to forward the introduction of the system into N. Carolina. They however recommend the granting of acts of incorporation to companies for manufacturing purposes as often as suitable applications may be made.

All of which is respectfully submitted.

CHS. FISHER, C. ARMAN.

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